



CITY OF CHICAGO • OFFICE OF THE MAYOR



FOR IMMEDIATE RELEASE

June 25, 2021

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**NEW ORDINANCE WOULD PRESERVE 406 UNITS OF AFFORDABLE HOUSING AT
HISTORIC ART DECO LAWSON HOUSE**

An ordinance introduced by Mayor Lori E. Lightfoot today would issue up to \$17,587,937 in Multi-Family Housing Loan Funds and \$4,697,656 in 9% tax credits to finance the preservation of 406 units of affordable units for a minimum of 50 years at Lawson House on the North Side. The Art Deco 22-story, limestone-clad building, listed on the National Register of Historic Places, was originally constructed in 1931 at 30 West Chicago Avenue by the YMCA of Chicago with 583 units. The building was acquired by Lawson Partners, LLC from the YMCA for \$1.00 in December 2014 to preserve it as affordable housing for low-income Chicago residents.

All of the units are studios and affordable to tenants with incomes at 60% of the area median income (AMI) or below. After rehabilitation, each unit will be equipped with private kitchens and bathrooms. Existing building amenities, including the community room, laundry, will be retained and plans the remaining historic gymnasium will become an exercise/fitness room. Current tenants can choose to be temporarily relocated during the estimated 30-month construction period or instead choose to be permanently relocated elsewhere based on the terms of the Uniform Relocation Act.

The total project cost is approximately \$122,435,082. In addition to the \$17,587,937 in Multi-Family Housing Loan Funds and \$4,697,656 in 9% tax credits from the City, the complicated rehabilitation is being financed with an approximately \$79,375,316 bridge loan from JPMorgan Chase, a \$17,200,000 Risk Sharing Loan from IHDA, a subordinate \$1,757,682 loan and \$2,443,760 in Donation Tax Credits also from IHDA, and \$14,579,232 in Historic Tax Credits from the National Park Service.

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TWO NEW AFFORDABLE DEVELOPMENTS PLANNED FOR PILSEN

The authorization to execute a multi-family loan agreement with Casa Durango LP, and designate Casa Durango LP as the developer for the new construction of two elevator buildings in the Pilsen neighborhood was introduced to City Council today by Mayor Lori E. Lightfoot. Together, the new developments will house a total of 53 affordable, rental one-to three-bedroom units, tenant community space and tenant storage, 37 parking spots and space for bicycle storage. The building to be located at 1850-54 S. Racine will be a five-story elevator structure that will house 37 units, tenant community space and interior storage, laundry facilities, bike racks and 31 parking spaces. The building on Ashland will be located at 2008-12 S. Ashland Avenue and will consist of a three-story elevator structure that will house 16 units, tenant community space and interior storage, laundry facilities, six parking spaces and bicycle storage. Additionally, this location is considered a transit site location (TSL), as the CTA's Pink line elevated train is approximately 1,400 feet west of the proposed site.

The total development costs are approximately \$27,514,809 and in addition to the City's \$5,573,580 multi-family loan and 9% Low Income Housing Tax Credits, which will generate approximately \$17,294,270 of equity for the benefit of the transaction, other funding will consist of a private loan of \$1,650,000, an Illinois Housing Development Authority (IHDA) loan of \$2,650,000, sponsor loan of \$100,000 to The Resurrection Project, a seller's note of \$658,483 and a deferred developer fee of \$518,044. The City will have a mortgage lien position on the properties.

The Resurrection Project (TRP) is a non-profit housing developer and social services organization that began as a grassroots advocacy organization with a mission to create community ownership and build community wealth. TRP began with an initial investment of \$30,000 collected from concerned neighbors and area churches. Since its inception 31 years ago, TRP has developed and operates 500 for-sale and rental homes/apartments, manages two daycare centers, a senior center, and various commercial spaces.

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